### **City of College Station**

#### PROFESSIONAL SERVICES CONTRACT

This Contract is between the **City of College Station**, a Texas home-rule municipal corporation, (the "City") and **Ash and Browne Engineering, Inc.**, a <u>Texas</u> corporation (the "Contractor"), whereby the Contractor agrees to provide the City with certain professional services as described herein and the City agrees to pay the Contractor for those services.

# **ARTICLE I** Scope of Services

1.01 In consideration of the compensation stated in paragraph 2.01 hereinbelow, the Contractor agrees to provide the City with the professional services as described in **Exhibit "A"**, the Scope of Services, which is incorporated herein by reference for all purposes, and which services may be more generally described as follows: **Engineering Services for the Dominik Residential Street Rehabilitation Project, ST-0216** (the "Project").

# ARTICLE II Payment

2.01 In consideration of the Contractor's provision of the professional services in compliance with all terms and conditions of this Contract, the City shall pay the Contractor according to the terms set forth in **Exhibit "B."** Except in the event of a duly authorized change order, approved by the City as provided in this Contract, the total cost of all professional services provided under this Contract may not exceed **Sixty Eight Thousand Four Hundred Nineteen and 30/100 Dollars (\$68,419.30).** 

# ARTICLE III Time of Performance

3.01 The Contractor shall complete the professional services within the times set forth below.

[Preliminary Project Design: 60 calendar days after authorization to commence PPD] [Final Design: 90 calendar days after authorization to commence final design]

**3.02 Time is of the essence of this Contract.** The Contractor shall be prepared to provide the professional services in the most expedient and efficient manner possible in order to complete the work by the times specified.

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### ARTICLE IV Conceptual Design

This Section Deleted

### ARTICLE V Preliminary Design

- 5.01 The City shall direct the Contractor to commence work on the Project design by sending to the Contractor a "letter of authorization" to begin work on the preliminary Project design pursuant to this Contract. Upon receipt of the Letter of Authorization to commence preliminary Project design, the Contractor shall meet with the City for the purpose of determining the extent of any revisions to the Conceptual Design.
- 5.02 The Contractor shall prepare the preliminary design of the Project, including, but not limited to, the preliminary drawings and specifications. The Contractor shall submit to the City a detailed estimate of the construction costs of the Project, based on current area, volume, or other unit costs. This estimate shall also indicate both the cost of each category of work involved in constructing the Project and the time required for construction of the Project from commencement to final completion.
- 5.03 Upon completion of the preliminary design of the Project, the Contractor shall so notify the City. Upon request the Contractor shall meet with the City staff and City Council to make a presentation of his preliminary design **of** the Project. The Contractor shall provide an explanation of the preliminary design and cost estimate.

# **ARTICLE VI** Final Design

- 6.01 The City shall direct the Contractor to commence work on the final design of the Project by sending to the Contractor a "letter of authorization" to begin work on the final design phase of the Project. Upon receipt of the Letter of Authorization to proceed with final design of the Project, the Contractor shall immediately prepare the final design, including, but not limited to, the bid documents, contract, drawings, and specifications, to fix and describe the size and character of the Project as to structural, mechanical, and electrical systems, materials, and such other elements as may be appropriate. The final design of the Project shall comply with all applicable laws, statutes, ordinances, codes, and regulations.
- 6.02 Notwithstanding the City's approval of the final design, the Contractor warrants that the final design will be sufficient and adequate to fulfill the purposes of the Project.
- 6.03 The Contractor shall prepare and separately seal the special provisions, the technical specifications, and bid proposal form(s) in conformance with the City's *current* pre-approved, "Standard Form of Construction Agreement" for the construction contract between the City and the contractor. The Contractor hereby agrees that no changes,

modifications, supplementations, alterations, or deletions will be made to the City's standard form without the prior written approval of the City.

6.04 The Contractor shall provide the City with complete contract documents sufficient to be advertised for bids by the City. The contract documents shall include the design and specifications and other changes that are required to fulfill the purpose of the Project. Upon completion of the final design of the Project, with the submission of the complete contract documents, and upon request of the City, the Contractor shall meet with City Staff and the City Council to present the final design of the Project. The Contractor shall provide an explanation of the final design and cost estimate.

### ARTICLE VII Bid Preparations & Evaluation

- 7.01 The Contractor shall assist the City in advertising for and obtaining bids or negotiating proposals for the construction of the Project. Upon request, the Contractor shall meet with City Staff and the City Council to present, and make recommendations on, the bids submitted for the construction of the Project.
- 7.02 The Contractor shall review the construction contractors' bids, including subcontractors, suppliers, and other persons required for completion of the Project. The Contractor shall evaluate each bid and provide these evaluations to the City along with a recommendation on each bid. If the lowest bid for the construction of the Project exceeds the final cost estimate set forth in the final design of the Project, then the Contractor, at his sole cost and expense, shall revise the construction documents so that the total construction costs of the Project will not exceed the final cost estimate contained in the final design of the Project.
- 7.03 Where substitutions are requested by a construction contractor, the Contractor shall review the substitution requested and approve or disapprove such substitutions.

# ARTICLE VIII Construction

- 8.01 The Contractor shall be a representative of, and shall advise and consult with, the City (1) during construction, and (2) at the City's direction from time to time during the correction, or warranty, period described in the construction contract. The Contractor shall have authority to act on behalf of the City only to the extent provided in this Agreement unless modified by written instrument.
- 8.02 The Contractor shall make visits to the site to inspect the progress and quality of the executed work of the construction contractor and his subcontractors and to determine if such work is proceeding in accordance with the contract documents.
- 8.03 The Contractor shall keep the City informed of the progress and quality of the work. The Contractor shall exercise the utmost care and diligence in discovering and promptly reporting to

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the City any defects or deficiencies in such work and shall disapprove or reject any work failing to conform with the contract documents.

8.04 The Contractor shall review and approve shop drawings and samples, the results of tests and inspections, and other data that each construction contractor or subcontractor is required to provide. The Contractor's review and approval shall include a determination of whether the work complies with all applicable laws, statutes, ordinances and codes and a determination of whether the work, when completed, will be in compliance with the requirements of the contract documents.

8.05 The Contractor shall determine the acceptability of substitute materials and equipment that may be proposed by construction contractors or subcontractors. The Contractor shall also receive and review maintenance and operating instruction manuals, schedules, guarantees, and certificates of inspection, which are to be assembled by the construction contractor in accordance with the contract documents.

8.06 The Contractor shall issue all instructions of the City to the construction contractor as well as interpretations and clarifications of the contract documents pertaining to the performance of the work.

8.07 The Contractor shall review the amounts owing to the construction contractor and recommend to the City, in writing, payments to the construction contractor of such amounts. The Contractor's recommendation of payment, being based upon the Contractor's on-site inspections and his experience and qualifications as a design professional, shall constitute a recommendation by the Contractor to the City that the quality of such work is in accordance with the contract documents.

8.08 Upon notification from the construction contractor that the Project is substantially complete, the Contractor shall conduct an inspection of the site to determine if the Project is substantially complete. The Contractor shall prepare a checklist of items that shall be completed prior to final acceptance. Upon notification by the construction contractor that the checklist items designated by the Contractor for completion have been completed, the Contractor shall inspect the Project to verify final completion.

8.09 The Contractor shall not be responsible for the work of the construction contractor or any of his subcontractors, except that the Contractor shall be responsible for the construction contractor's schedules or failure to carry out the work in accordance with the contract documents if such failures result from the Contractor's negligent acts or omissions. This provision shall not alter the Contractor's duties to the City arising from the performance of the Contractor's obligations under this Contract.

8.10 The Contractor shall conduct at least one on-site inspection during the warranty period and shall report to the City as to the continued acceptability of the work.

8.11 The Contractor shall not execute change orders on behalf of the City or otherwise alter the financial scope of the Project without an advance, written authorization from the City.

# ARTICLE IX Change Orders & Documents & Materials

- 9.01 No changes shall be made, nor will invoices for changes, alterations, modifications, deviations, or extra work or services be recognized or paid except upon the prior written order from authorized personnel of the City. The Contractor shall not execute change orders on behalf of the City or otherwise alter the financial scope of the Project.
- 9.02 Written change orders may be approved by the City Manager or his delegate provided that the change order does not increase the amount set forth in paragraph 2 of this Contract by more than \$25,000.00. Changes in excess of this amount must be approved by the City Council prior to commencement of the services or work. Any request by the Contractor for an increase in the Scope of Services and an increase in the amount listed in paragraph two of this Contract shall be made and approved by the City prior to the Contractor providing such services or the right to payment for such additional services shall be waived.
- 9.03 The Contractor shall furnish the City ten (10) sets of plans and specifications. It is hereby agreed that additional copies shall be provided to the City at the City's expense. The Contractor shall provide the City one (1) set of reproducible, mylar-record drawings that clearly show all the changes made during the construction process, based upon the marked-up prints, drawings, and other data furnished by the construction contractor to the Contractor. The Contractor shall provide copies of documents, computer files if available, surveys, notes, and tracings used or prepared by the Contractor. The foregoing documentation, the Contractor's work product, and other information in the Contractor's possession concerning the Project shall be the property of the City of College Station from the time of preparation. The Contractor shall also furnish one (1) set of digital files representing the final as-built mylars.

# ARTICLE X Warranty, Indemnification, & Release

10.01 As an experienced and qualified design professional, the Contractor warrants that the information provided by the Contractor reflects high professional and industry standards, procedures, and performances. The Contractor warrants the design preparation of drawings, the designation or selection of materials and equipment, the selection and supervision of personnel, and the performance of other services under this Contract, pursuant to a high standard of performance in the profession. The Contractor warrants that the Contractor will exercise diligence and due care and perform in a good and workmanlike manner all of the services pursuant to this Contract. Approval of the City shall not constitute, or be deemed, a release of the responsibility and liability of the Contractor, its employees, agents, or associates for the exercise of skill and diligence to promote the accuracy and competency of their designs, information, plans, specifications or any other document, nor shall the City's approval be deemed

to be the assumption of responsibility by the City for any defect or error in the aforesaid documents prepared by the Contractor, its employees, associates, agents, or subcontractors.

10.02 The Contractor shall promptly correct any defective designs or specifications furnished by the Contractor at no cost to the City. The City's approval, acceptance, use of, or payment for, all or any part of the Contractor's services hereunder or of the Project itself shall in no way alter the Contractor's obligations or the City's rights hereunder.

10.03 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor and its employees are not the agents, servants, or employees of the City, As an independent contractor, the Contractor shall be responsible for the professional services and the final work product contemplated under this Contract. Except for materials furnished by the City, the Contractor shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Contractor shall have ultimate control over the execution of the professional services. The Contractor shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subcontractors, and the City shall have no control of or supervision over the employees of the Contractor or any of the Contractor's subcontractors.

10.04 The Contractor must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subcontractors, licensees, and other persons, as well as their personal property, while in the vicinity of the Project or any of the work being done on or for the Project. It is expressly understood and agreed that the City shall not be liable or responsible for the negligence of the Contractor, its officers, employees, agents, subcontractors, invitees, licensees, and other persons.

10.5 Indemnity. The Contractor agrees to indemnify, defend, and hold harmless the City, its officers, employees, and agents (separately and collectively referred to in this paragraph as "Indemnitee"), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements made by Indemnitee, and liability of every kind, including all expenses of litigation, court costs, attorney's fees, and other reasonable costs for damage to or loss of use of any property, for injuries to, or sickness or death of any person, including but not limited to Contractor, any of its subcontractors of any tier, or of any employee or invitee of Contractor or of any such subcontractors, that is caused by, arises out of, related to, or in connection with, the negligence of and/or negligent performance of this Contract by Contractor or by any such subcontractors of any tier, under this Contract.

10.06 Release. The Contractor releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the Contractor or its employees and any loss of or damage to any property of the Contractor or its employees that is caused by or alleged to be caused by, arises out of, or is in connection with the Contractor's work to be performed hereunder. Both the City and the Contractor expressly intend that this release shall apply regardless of whether said claims, demands,

and causes of action are covered, in whole or in part, by insurance and in the event of injury, sickness, death, loss, or damage suffered by the Contractor or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the City, any other party released hereunder, the Contractor, or any third party.

#### ARTICLE XI

#### Insurance

- 11.01 The Contractor agrees to maintain the types and amounts of insurance required in this Contract throughout the term of the Contract. The following insurance policies shall be required:
  - 1. Commercial General Liability
  - 2. Business Automobile Liability
  - 3. Workers' Compensation
  - 4. Professional Liability
- 11.02 For each of these policies, the Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers, shall be considered in excess of the Contractor's insurance and shall not contribute to it. Certificates of insurance and endorsements shall be furnished to and approved by the City's Risk Manager before any letter of authorization to commence planning will issue or any work on the Project commences. No term or provision of the indemnification provided by the Contractor to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit "C", and approved by the City before work commences.
- 11.03 The Contractor shall include all subcontractors as additional insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 11.04 General Requirements Applicable to All Policies.
  - (a) Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.
  - (b) Deductibles shall be listed on the certificate of insurance and are acceptable only on a "per occurrence" basis for property damage only.
  - (c) "Claims made" policies will not be accepted, except for Professional Liability insurance.
  - (d) Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of College Station by certified mail, return receipt requested.

- (e) Upon request, certified copies of all insurance policies shall be furnished to the City.
- (f) The certificates of insurance shall be prepared and executed by the insurance company or its authorized agent. Each certificate shall contain the following provisions and warranties: (a) that the insurance company is licensed and admitted to do business in the State of Texas; (b) that the insurance policy is underwritten on forms provided by the Texas State Board of Insurance or ISO; (c) all endorsements and coverages according to the requirements of this Contract; (d) the form of notice of cancellation, termination, or change in coverage provisions; and (e) original endorsements affecting coverage required by this Contract.
- (g) The City of College Station, its officials, employees, and volunteers are to be added as "Additional Insureds" to the Commercial General Liability and Business Automobile Liablity Policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, and volunteers.

### 11.05 **Commercial (Public) Liability** requirements:

- (a) Coverage shall be written by a carrier with an "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$600,000 per occurrence for bodily injury and property damage.
- (c) Coverage shall be at least as broad as Insurance Service's Office Number CG 00 01.
- (d) No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
- (e) The coverage shall include but not be limited to: premises/operations; independent contracts, products/completed operations, contractual liability (insuring the indemnity provided herein), and where exposures exist, "Explosion Collapse and Underground" coverage.

### 11.06 Business Automobile Liability requirements:

- (a) Coverage shall be written by a carrier with an "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum Combined Single Limit of \$600,000 per occurrence for bodily injury and property damage.
- (c) The Business Auto Policy must show Symbol 1 in the Covered Autos portion of the liability section in Item 2 of the declarations page.
- (d) The coverage shall include owned or leased autos, non-owned autos, and hired cars.

### 11.07 Workers' Compensation Insurance requirements:

11.07.01 Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, *all* employees of the Contractor, the Contractor, *all* employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers' compensation insurance policy: either directly through their employer's policy (the Contractor's, or subcontractor's policy) or through an executed coverage agreement on an approved TWCC form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, Contractors and subcontractors *must* use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.

11.07.02 The worker's compensation insurance shall include the following terms:

- (a) Employer's Liability limits of \$1 OO,OOO.OO for each accident is required.
- (b) "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
- (c) Texas must appear in Item 3A of the Worker's Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.

11.07.03 Pursuant to the explicit terms of Title 28, Section 110.110(c)(7) of the Texas Administrative Code, this Agreement, the bid specifications, this Agreement, and all subcontracts on this Project must include the terms and conditions set forth in attached Exhibit D, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

#### 11.08 **Professional Liability** requirements:

- (a) Coverage shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
- (b) Minimum of \$500,000 per occurrence and \$500,000 aggregate.
- (c) Coverage must be maintained for two (2) years after the termination of this Contract.

### ARTICLE XII Termination

12.01 The City may terminate this Contract at any time upon **thirty** (30) calendar days written notice. Upon the Contractor's receipt of such notice, the Contractor shall cease work immediately. The Contractor shall be compensated for the services satisfactorily performed prior to the termination date.

12.02 If, through any cause, the Contractor fails to fulfill its obligations under this Contract, or if the Contractor violates any of the agreements of this Contract, the City has the right to terminate this Contract by giving the Contractor five (5) calendar days written notice to the Contractor. The Contractor will be compensated for the services satisfactorily performed before the termination date.

12.03 No term or provision of this Contract shall be construed to relieve the Contractor of liability to the City for damages sustained by the City because of any breach of contract by the Contractor. The City may withhold payments to the Contractor for the purpose of setoff until the exact amount of damages due the City from the Contractor is determined and paid.

### **ARTICLE XIII**Miscellaneous Terms

13.01 This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Brazos County, Texas.

13.02 Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

City of College Station Attn: Laura Y. H. Harris, E.I.T P.O. Box 9960 College Station, Texas 77842

Contractor:

Ash & Browne Engineering, Inc. Attn: J. Dale Browne, Jr., P.E. P.O. Box 10838 College Station, TX 77842

13.03 No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

13.04 This Contract represents the entire and integrated agreement between the City and the Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

13.05 This Contract and all rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of the City.

13.06 If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

13.07 The Contractor, its agents, employees, and subcontractors must comply with all applicable federal and state laws, the charter and ordinances of the City of College Station, and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Contractor must obtain all necessary permits and licenses required in completing the work and providing the services required by this Contract.

13.08 The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.

13.09 This Contract will be effective when signed by the last party whose signing makes the Contract fully executed.

ASH & BROWNE ENGINEERING, INC.	CITY OF COLLEGE STATION	
By: Child Manual Printed Name: J. Dale Browne, Jr. Title: President Date: May 21, 2002	By: Ron Silvia, Mayor  Date:	
ATTEST:		
Connie Hooks, City Secretary  APPROVED:	Date	
Thomas E. Brymer, City Manager  Calla A Robbinson  City Attorney	Date 5/22/02 Date	
Charles Cryan, Director of Fiscal Services	 Date	

# Exhibit "A" Scope of Services

- 1. Contract with local Geotechnical Soils Engineering Firm to carry out an investigation of the project area and provide a recommendation for pavement cross section.
- 2. Contract with local Surveying Firm to do the necessary topographic surveying.
- 3. Preparation of a set of construction documents including (but not limited to) plans, technical specifications, bid proposal, anticipated construction schedule, and construction cost estimate.
- 4. Assist the City during the bidding process by providing clarification of construction documents, attending pre-bid meeting, and providing bid tabulation, evaluation, and recommendation for bid award.
- 5. Assist the City during construction process by providing clarification to construction documents, submittal reviews, plan and specification revisions as necessary for construction, reivew and recommendation of approval of change orders, review and approval of payment applications, and preparation of project punchlists.
- 6. Provide certification of project conformance with plans and specifications.
- 7. Assist the City in meeting or hearing that may occur during design and implementation of the project.

#### Exhibit "B"

#### **Payment Terms**

Unless amended by a duly authorized written change order, the total payment for all invoices on this job, including both salary and non-salary expenses, shall not exceed the amount set forth in paragraph 2.01 of this Contract. This amount shall be payable by the City pursuant to the schedule listed below and upon completion of the services and written acceptance by the City.

Schedule of Payment for each phase:

Preliminary Design	\$ 6,000.00
Final Design	\$ 25,000.00
Bidding	\$ 2,000.00
Construction	\$ 15.000.00

SubTotal \$ 48000.00

#### **Additional Services:**

Additional services consist of topographic surveying and geotechnical soils investigation to arrive at design pavement sections. These services will be billed at actual cost plus 10%.

At present, the estimated costs for these services fees are as follows:

Topographic	Surve	ying	\$]	7,000.00
Geotechnical	Soils	Investigation	\$	1,563.00

SubTotal	\$18,563.00
SubTotal with 10%	\$20,419.30

**Total Contract** \$68,419.30

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### Exhibit "C"

Certificate(s) of Insurance

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### DESCRIPTIONS (Continued from Page 1)

suspended, voided, cancelled, reduced in coverage or limits except after 30 days prior written rotice by certified mail or fax & original notice mailed to the City of College Statior. Prof Liab: The aggregate limit is the total insurance available for claims presented within the policy period for all operations of insured.

### **IMPORTANT**

If the certificate hc der is an ADDITIONAL INSURED, the **policy(ies)** must be endorsed. A statement on this certificate ( oes not confer **ri**; **jhts** to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WANED, subject to the terms and conditions of the policy, certain policies may require an endors ement. A statem snt on this certificate does not confer rights to me certificate holder in lieu of such endorsement(s).

#### **DISCLAIMER**

The Certificate of Ir surance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the poticies listed thereon.

#### Exhibit D

Workers Compensation Insurance Requirements for On-Site Work Title 28, Section 110.110 of the Texas Administrative Code

"A. Definitions.

<u>Certificate of coverage ("certificate"</u>? • A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Workers' Compensation Commission, or a coverage agreement (TWCC-81, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

<u>Duration of the project</u> includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery ofportable toilets.

- B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.01 I(44) for all employees of the Contractor providing services on the project, for the duration of the project.
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity.

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- (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
- (2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.
- G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.
- H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered and stating how a person may verify coverage and report lack of coverage.
- I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:
  - (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.01 1(44) for all of its employees providing services on the project, for the duration of the project,
  - (2) provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
  - (3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project,
  - (4) obtain from each other person with whom it contracts, and provide to the Contractor:
    - (a) a certificate of coverage, prior to the other person beginning work on the project; and

- (b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate **of** coverage ends during the duration of the project,.
- (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (6) notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
- (7) contractually require each person with whom it contracts, to perform as required by paragraphs (a) (g), with the certificates of coverage to be provided to the person for whom they are providing services.
- J. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."